

HOUSE BILL 503
By Buck

AN ACT to amend Tennessee Code Annotated, Section 40-11-301; Section 40-11-302 and Section 40-11-315, relative to professional bondsmen.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 40-11-301, is amended by adding the following new subsections:

(e) "Capacity" is the total amount of bail, expressed in dollars, on which a professional bondsman may act as surety.

(f) "Available capacity" is a professional bondsman's capacity reduced by the total amount of bail, expressed in dollars, which the professional bondsman has outstanding and from which the professional bondsman has not been released.

(g) "Equity in real estate" is determined by taking the fair market value of the real estate and subtracting from that value all outstanding liens and encumbrances. For purposes of establishing fair market value, either the county property assessor's appraisal or an opinion of value from a licensed real estate broker may be used.

SECTION 2. Tennessee Code Annotated, Section 40-11-302, is amended by adding the following new subsection:

(e) A professional bondsman's capacity, in those judicial districts where a professional bondsman uses collateral pledged with the court to underwrite bonds written by the professional bondsman, shall be determined as follows:

(1) Where the collateral pledged is cash, or an item readily converted to cash such as a certificate of deposit, the professional bondsman's capacity shall be ten (10) times the amount of the collateral pledged.

(2) Where the collateral pledged is equity in real estate, the professional bondsman's capacity shall be ten (10) times the value of the equity pledged as collateral.

SECTION 3. Tennessee Code Annotated, Section 40-11-315(a), is amended by deleting the period at the end of that section and by adding the following:

or the defendant is surrendered based upon one (1) or more of the grounds set forth in Section 40-11-132.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.